



DEPARTMENT OF EDUCATION

34 CFR Chapter II

[Docket ID ED-2021-OESE-0036]

Final priorities and requirement--Innovative Approaches to
Literacy

AGENCY: Office of Elementary and Secondary Education
(OESE), Department of Education.

ACTION: Final priorities and requirement.

SUMMARY: The Department of Education (Department)
announces four priorities and one requirement under the
Innovative Approaches to Literacy (IAL) program, Assistance
Listing Number 84.215G. The Department may use one or more
of these priorities and requirement for competitions in
fiscal year (FY) 2021 and later years.

DATES: These priorities are effective [INSERT DATE 30 DAYS
AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Simon Earle, U.S.
Department of Education, 400 Maryland Avenue, SW, room
3E254, Washington, DC 20202-6450. Telephone: (202) 453-
7923. Email: Simon.Earle@ed.gov.

If you use a telecommunications device for the deaf
(TDD) or a text telephone (TTY), call the Federal Relay
Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Purpose of Program: The IAL program supports high-quality

programs designed to develop and improve literacy skills for children and students from birth through 12th grade in high-need local educational agencies (LEAs) and schools. The Department intends to promote innovative literacy programs that support the development of literacy skills in low-income communities, including programs that: (1) develop and enhance effective school library programs, which may include providing professional development for school librarians, books, and up-to-date materials to high-need schools; (2) provide early literacy services, including pediatric literacy programs through which, during well-child visits, medical providers trained in research-based methods of early language and literacy promotion provide developmentally appropriate books and recommendations to parents to encourage them to read aloud to their children starting in infancy; and (3) provide high-quality books on a regular basis to children and adolescents from low-income communities to increase reading motivation, performance, and frequency.

Program Authority: 20 U.S.C. 6646.

We published a notice of proposed priorities and requirement (NPP) for this program in the *Federal Register* on April 6, 2021 (86 FR 17757). The priorities included in the NPP were: Proposed Priority 1--Projects, Carried Out in Coordination with School Libraries, for Book Distribution, Childhood Literacy Activities, or Both;

Proposed Priority 2--Providing a Learning Environment That Is Racially, Ethnically, Culturally, Disability and Linguistically Responsive and Inclusive, Supportive, and Identity-safe; Proposed Priority 3--Supporting Students in Urban Areas; and Proposed Priority 4--Supporting Students from Low-Income Families. The requirement included in the NPP set forth eligibility criteria. The NPP contained background information and our reasons for proposing the particular priorities and requirement.

There are differences between Proposed Priority 2 and Final Priority 2 as discussed in the *Analysis of Comments and Changes* section elsewhere in this notice. Except for minor editorial and technical revisions, there are no significant changes to Priorities 1, 3, and 4 and the requirement from the NPP.

Public Comment: In response to our invitation in the NPP, 28 parties submitted comments, which, in total, addressed all four of the proposed priorities and requirement. Two comments were not relevant to the proposed priorities and are not included in the discussions below. We group major issues according to subject.

Generally, we do not address technical and other minor changes, or suggested changes the law does not authorize us to make under the applicable statutory authority. In addition, we do not address the two comments that were not directly related to the NPP.

Analysis of Comments and Changes: An analysis of the comments and of any changes in the priorities and requirement since publication of the NPP follows.

Comment: One commenter applauded the Department for supporting school library programs during the COVID-19 pandemic, particularly when libraries have been closed. The commenter remarked that library collections urgently need updating on a regular basis to provide resources for our changing cultural needs. The commenter believed professional development for librarians will help ensure that students have the necessary literacy skills and tools to make accurate independent virtual learning choices. Another commenter, in acknowledging the Department's recognition of the importance of coordinating with school libraries to carry out grant activities, encouraged the Department also to promote access to diverse literary material. The commenter believed that every student deserves a school library that incorporates diversity.

Discussion: The Department agrees with the commenter that many school libraries need updated collections, including ensuring that available materials reflect the diversity of students, and that professional development for school librarians can be a key lever in increasing student literacy. For that reason, we are modifying Priority 2 to clarify that, as under Priority 1, an applicant implementing a program under the priority must coordinate

with school libraries.

Changes: We have clarified in Priority 2 that an applicant must coordinate with school libraries.

Comment: Five commenters provided remarks regarding Proposed Priority 1, Projects, Carried Out in Coordination with School Libraries, for Book Distribution, Childhood Literacy Activities, or Both. Four of the commenters offered support, recognizing the importance of school libraries, childhood literacy, and book distribution. One commenter remarked that IAL funding is best used by providing tangible items, such as eReaders, to LEAs serving children from low-income households. A commenter, who also supported the proposed priority, encouraged the Department to promote diversity of literary materials and evaluate proposed projects' success in ensuring diversity.

Discussion: We appreciate the commenters' support for Proposed Priority 1. We think applicants for IAL funding are best positioned, in coordination with school libraries, to determine the needs of their students and acquire appropriate materials in response to those needs, which may include books and literacy-focused technology. We also agree that it is important to evaluate projects' success in ensuring diversity and students benefit from access to diverse literary materials. Priority 2 highlights the Department's commitment to diverse learning environments.

Changes: None.

Comment: Eight commenters provided remarks for Proposed Priority 2, Providing a Learning Environment That Is Racially, Ethnically, Culturally, Disability and Linguistically Responsive and Inclusive, Supportive, and Identity-safe, and each offered their support for learning environments that are inclusive, supportive, and identity-safe. Commenters stated that identity-safe learning environments will be beneficial for students from diverse backgrounds, low-income households, and urban areas. A commenter also urged the Department to prioritize funding for projects that create inclusive environments via ethnic course studies tailored to each unique student population.

Discussion: We agree that learning environments should be responsive, inclusive, supportive, and identity-safe, as reflected in Priority 2. With regard to prioritizing funding for projects that focus on ethnic studies or creating ethnic studies courses, we think Proposed Priority 2 provides the flexibility and autonomy for applicants to be innovative in creating responsive and inclusive learning environments, including through changes in curricula, library collections, and professional development.

Changes: None.

Comment: Sixteen commenters provided remarks regarding Proposed Priority 3, Supporting Students in Urban Areas. Three commenters supported the proposed priority, noting that many urban schools are under-resourced; they expressed

the need for certified librarians in urban schools and agreed that NCES locale codes are appropriate indicators of urbanicity. Eleven commenters asserted that studies show students in rural areas face greater educational challenges than those in urban areas, citing data indicating that rural students are impacted more adversely in the areas of childhood poverty, internet access, college enrollment, and mental health care.

One commenter stated that NCES locale codes are not the most appropriate indicator of urbanicity, for three reasons: first, school enrollment often does not match the surrounding population; second, relying on NCES locale codes fails to achieve the goals of this proposed priority and the average wealth of families in particular schools should be a factor; and third, an area generally is not defined by its population and population density. The commenter contended that the level of infrastructure, presence of public transit, and types of jobs may better define a geographical area for the purpose of the priority.

Another commenter suggested the use of NCES locale codes restricts IAL funding to LEAs with an urban locale code of 11, 12, or 13. The commenter contended the use of the locale codes results in an under-inclusive policy that limits funding to urban areas even though 70 percent of the United States population lives in suburban and rural areas. The commenter suggested the Department focus on identifying

LEAs with the lowest literacy and math achievement levels, which may not be in urban settings.

Discussion: We appreciate the three commenters' support for Proposed Priority 3 and agree that students in rural areas face educational challenges. To that end, the Explanatory Statement for Division H of the Consolidated Appropriations Act, 2021 (Pub. L. 116-260) (2021 Appropriations Explanatory Statement) directs the Department to ensure that grants are distributed among eligible entities that will serve geographically diverse areas, including both rural areas and underserved communities in urban school districts, in which students from low-income families make up at least 50 percent of enrollment. Because the Department previously established a priority to serve rural communities, this new priority is intended to complement--not replace--the rural priority so the program can prioritize both rural and urban areas, as directed by the 2021 Appropriations Explanatory Statement from Congress.

We appreciate the commenter's suggestions regarding additional indicators to be used in addition to NCES locale codes when identifying urban areas and agree that population is not the only characteristic associated with urbanicity. However, the use of locale codes is a long-accepted practice in distinguishing among applicants and ensuring geographic diversity in competitive grant

programs, and we decline to augment locale codes as suggested by the commenter.

We disagree with the commenter who asserted that the use of NCES locale codes restricts funding to LEAs assigned an urban locale code. As mentioned above, the 2021 Appropriations Explanatory Statement directs the Department to ensure that grants are distributed among eligible entities that will serve geographically diverse areas, including rural areas and underserved communities in urban school districts, in which students from low-income families make up at least 50 percent of enrollment. Moreover, the use of urban or rural priorities would not preclude applications from, or awards to, eligible applicants proposing to serve non-urban and non-rural areas.

Changes: None.

Comment: Fourteen commenters offered remarks regarding Proposed Priority 4, Supporting Students from Low-Income Families. Of the three commenters expressing support for the proposed priority, one recommended that eligibility for participation in Part A of Title I of the Elementary and Secondary Education Act of 1965, as amended (ESEA), be used as a secondary tool to demonstrate that the proposed project would serve students from low-income households.

Ten commenters suggested this proposed priority signals the Department's intent to no longer prioritize

rural LEAs and high-need communities. Another commenter recommended that the Department reserve a substantial portion of available funds under this program for LEAs serving 50 percent or more of students from families with an income below the poverty line regardless of whether they apply for an IAL grant.

Discussion: The purpose of the IAL program is to develop and improve literacy skills for students in high-need LEAs and schools. Priority 4 addresses supporting students from low-income families and does not in any way prioritize students in urban communities over students in rural communities.

The Department does not agree that Title I eligibility would be an appropriate measure of poverty for the IAL program because the poverty thresholds applicable to Title I are not consistent with the statutory requirements of the IAL program. More specifically, only an LEA in which 20 percent or more of the students served by the LEA are from families with an income below the poverty line (as defined in section 8101(41) of the ESEA) is eligible for an IAL award; the LEA poverty thresholds for receiving Title I funds range from just 2 percent for Basic Grants to a maximum of 15 percent for Concentration Grants.

Additionally, as stated previously, the 2021 Appropriations Explanatory Statement directs the Department to ensure that grants are distributed among eligible

entities that will serve geographically diverse areas, including rural areas and underserved communities in urban school districts, in which students from low-income families make up at least 50 percent of enrollment. Finally, the statute requires that IAL awards be made through a competitive process rather than by formula to all eligible entities.

Changes: None.

Comment: Two commenters supported the proposed requirement. One of these commenters noted that the use of the Small Area Income and Poverty Estimates (SAIPE) data may provide better opportunities for economically challenged urban LEAs to increase school library capabilities. The other commenter stated the proposed requirement reflects the intent of the IAL program and its language reflects the definitions in 20 U.S.C. 6646.

Discussion: We agree the proposed requirement is essential for supporting school libraries and literacy, particularly for LEAs in which 20 percent or more of students served are from families with an income below the poverty line (as defined in section 8101(41) of the ESEA).

Changes: None.

FINAL PRIORITIES:

Priority 1--Projects, Carried Out in Coordination with School Libraries, for Book Distribution, Childhood Literacy Activities, or Both.

Projects that propose to coordinate with school libraries to carry out grant activities, such as book distributions, childhood literacy activities, or both, for the proposed project.

Priority 2--Projects, Carried Out in Coordination with School Libraries, That Provide a Learning Environment That Is Racially, Ethnically, Culturally, Disability Status and Linguistically Responsive and Inclusive, Supportive, and Identity-Safe.

Projects coordinated with school libraries and designed to be responsive to racial, ethnic, cultural, disability, and linguistic differences in a manner that creates inclusive, supportive, and identity-safe learning environments.

In its application, the applicant must--

(a) Describe the types of racially, ethnically, culturally, disability status, and linguistically responsive program design elements that the applicant proposes to include in its project;

(b) Explain how its program design will create inclusive, supportive, and identity-safe environments; and

(c) Describe how its project will be carried out in coordination with school libraries.

Priority 3--Supporting Students in Urban Areas.

Projects that are designed to serve one or more urban LEAs. In its application, an applicant must demonstrate

one of the following:

(a) The applicant is an eligible LEA or consortium of eligible LEAs with a locale code of 11, 12, or 13.

(b) The applicant is a national nonprofit that proposes to serve schools within eligible LEAs all of which have a locale code of 11, 12, or 13.

Note: Applicants are encouraged to retrieve locale codes from the National Center for Education Statistics (NCES) School District search tool (<https://nces.ed.gov/ccd/districtsearch/>), searching by LEA.

Priority 4--Supporting Students from Low-Income Families.

Projects that serve LEAs serving students from low-income families. In its application, an applicant must demonstrate, based on Small Area Income and Poverty Estimates (SAIPE) data from the U.S. Census Bureau or, for an LEA for which SAIPE data are not available, the same State-derived equivalent of SAIPE data that the State uses to make allocations under part A of title I of the Elementary and Secondary Education Act of 1965, as amended (ESEA), one of the following:

(a) At least 25 percent of the students enrolled in each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

(b) At least 30 percent of the students enrolled in

each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

(c) At least 35 percent of the students enrolled in each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

(d) At least 40 percent of the students enrolled in each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

(e) At least 45 percent of the students enrolled in each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

(f) At least 50 percent of the students enrolled in each of the LEAs to be served by the proposed project are from families with an income below the poverty line.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the *Federal Register*. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on

the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

FINAL REQUIREMENT:

Requirement:

The Department establishes the following requirement for this program. We may apply this requirement in any year in which this program is in effect.

Eligible Applicants: To be considered for an award under this competition, an applicant must be one or more of the following:

(1) An LEA in which 20 percent or more of the students served by the LEA are from families with an income below the poverty line (as defined in section 8101(41) of the ESEA).

(2) A consortium of such LEAs described in paragraph (1) above.

(3) The Bureau of Indian Education.

(4) An eligible national nonprofit organization (as defined in section 2226(b)(2) of the ESEA) that serves

children and students within the attendance boundaries of one or more eligible LEAs.

Note: Under the definition of "poverty line" in section 8101(41) of the ESEA, the determination of the percentage of students served by an LEA from families with an income below the poverty line is based on the U.S. Census Bureau's SAIPE data.

An entity that meets the definition of an LEA in section 8101(30) of the ESEA and that serves multiple LEAs, such as a county office of education, an education service agency, or regional service education agency, must provide the most recent SAIPE data for each of the individual LEAs it serves. To determine whether the entity meets the poverty threshold, the Department will derive the entity's poverty rate by aggregating the number of students from families below the poverty line (as provided in SAIPE data) in each of the LEAs the entity serves and dividing it by the total number of students (as provided in SAIPE data) in all of the LEAs the entity serves.

An LEA for which SAIPE data are not available, such as a non-geographic charter school, must provide a determination by the State educational agency (SEA) that 20 percent or more of the students aged 5-17 in the LEA are from families with incomes below the poverty line based on the same State-derived poverty data the SEA used to determine the LEA's allocation under part A of title I of

the ESEA.

This document does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

Note: This document does not solicit applications. In any year in which we choose to use one or more of these priorities or the requirement, we invite applications through a notice in the *Federal Register*.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Office of Management and Budget (OMB) must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive order and subject to review by OMB. Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another

agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this final regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net

benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these final priorities and this final requirement only on a reasoned determination that their benefits justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in

Executive Order 13563.

We also have determined that this regulatory action does not unduly interfere with State, local, and Tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs and activities.

Potential Costs and Benefits

The Department believes that this regulatory action will not impose significant costs on eligible entities, whose participation in our programs is voluntary, and costs can generally be covered with grant funds. As a result, the final priorities and requirement will not impose any particular burden except when an entity voluntarily elects to apply for a grant. The benefits of the priorities and requirement will outweigh any associated costs because they will help ensure that the Department's discretionary grant programs select high-quality applicants to implement activities that are designed to address innovative approaches to literacy. In addition, these priorities and requirement are specifically targeted to prioritize

applicants from underserved areas and reduce application burden on such applicants.

Regulatory Flexibility Act Certification

The Secretary certifies that this regulatory action will not have a significant economic impact on a substantial number of small entities. The U.S. Small Business Administration Size Standards define proprietary institutions as small businesses if they are independently owned and operated, are not dominant in their field of operation, and have total annual revenue below \$7,000,000. Nonprofit institutions are defined as small entities if they are independently owned and operated and not dominant in their field of operation. Public institutions are defined as small organizations if they are operated by a government overseeing a population below 50,000.

Of the impacts we estimate accruing to grantees or eligible entities, all are voluntary and related mostly to an increase in the number of applications prepared and submitted annually for competitive grant competitions. Therefore, we do not believe that the final priorities and requirement will significantly impact small entities beyond the potential for increasing the likelihood of their applying for, and receiving, competitive grants from the Department.

Paperwork Reduction Act

The final priorities and requirement contain

information collection requirements that are approved by OMB under OMB control number 1894-0006.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

Accessible Format: On request to the program contact person listed under FOR FURTHER INFORMATION CONTACT, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

Electronic Access to This Document: The official version of this document is the document published in the *Federal Register*. You may access the official edition of the *Federal Register* and the Code of Federal Regulations at www.govinfo.gov. At this site you can view this document, as well as all other documents of the Department published in the *Federal Register*, in text or Adobe Portable Document

Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the *Federal Register* by using the article search feature at: www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Ian Rosenblum,
*Deputy Assistant Secretary for
Policy and Programs Delegated the
Authority to Perform
the Functions and Duties of the
Assistant Secretary, Office of
Elementary and Secondary
Education.*

[FR Doc. 2021-14758 Filed: 7/9/2021 8:45 am; Publication Date: 7/12/2021]